



Building Supply Firm to Exit Chicago Market

By: Eddie Baeb, Chicago Business Powered by Crain's

July 10, 2009 — Stock Building Supply Co., one of the nation's largest suppliers to home builders, is closing its remaining sites here Friday and laying off at least 199 workers less than four years after the company entered the Chicago market by purchasing Elgin-based Seigle's Inc.

A cabinetry division in Elgin, however, apparently will be salvaged along with a Chicago showroom as former Seigle's co-owner Mark Seigle says he is in the process of buying the business from Stock in conjunction with a partner company.

Mr. Seigle wouldn't provide details, saying the partner company would handle any announcement. Earlier this month, Mr. Seigle registered a new business with the Illinois Secretary of State's office called Seigle's Cabinet Center LLC, with an office at 1331 Davis Road in Elgin.

Raleigh, N.C.-based Stock last week emerged from a prepackaged Chapter 11 bankruptcy with a new majority owner. In a July 1 statement, the company said it would now operate in 19 markets nationwide — and Chicago wasn't among them.

In a notification to the state of Illinois published earlier this week, Stock said it planned to lay off 107 workers at a millwork plant in Carol Stream, at 500 E. Kehoe Blvd., and another 92 workers at 1331 Davis Road, a regional headquarters that also was home to the cabinetry and a carpentry business.

A Stock spokeswoman confirmed the layoffs and closures in the state notice but declined to provide additional details. She also said the company has been looking to sell facilities in markets where it will no longer operate.

Stock has a lumber yard in Elgin at 1600 Big Timber Road, which closes Friday, while its Chicago showroom at 1621 N. Clybourn Ave. is to remain open and become part of Mr. Seigle's new business.

Stock's parent company, plumbing equipment supplier Wolseley PLC, put Stock into Chapter 11 bankruptcy protection in May and then sold a 51% stake in the company to Los Angeles-based private-equity firm Gores Group LLC.

Stock bought Seigle's Inc. in November 2005 in an all-cash deal for about \$121 million, according to a media report. At the time, Seigle's had almost 1,300 employees and 11 Chicago-area sites. Stock has been downsizing here in recent years because of the fall in the housing market.